

COMSCINST 4385.1D	COG CODE N00I	DATE 4 SEP 1990
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DEPARTMENT OF THE NAVY
 COMMANDER MILITARY SEALIFT COMMAND
 WASHINGTON NAVY YARD BLDG 210
 901 M STREET SE
 WASHINGTON DC 20398-5540

COMSCINST 4385.1B

N00I

4 September 1990

COMSC INSTRUCTION 4385.1B

Subj: DETECTION AND PREVENTION OF FRAUD, WASTE AND
 MISMANAGEMENT

Ref: (a) SECNAVINST 5430.92A
 (b) SECNAVINST 5370.5A
 (c) COMSCINST 5370.4
 (d) OPNAVINST 5200.25B
 (e) SECNAVINST 5200.34C
 (f) SECNAVINST 5370.2J

1. Purpose. To affirm command support for Department of the Navy (DON) policy to detect, deter and counteract fraud, waste and mismanagement within the service. Reference (a) assigns program responsibility; references (b) and (c) provide information on the DOD/DON and MSC Hotlines.

2. Cancellation. COMSCINST 4385.1A.

3. Background. In 1978, the President's Council on Integrity and Efficiency took the initiative to improve government operations and eliminate inefficiencies. DON responded to this program by reemphasizing existing programs of audit, inspection and internal review, reaffirming the traditional chain of command structure and by assigning authority, responsibility and accountability to Commanding Officers ashore and afloat. Concerted efforts by all personnel to actively support integrity and efficiency programs continue in this era of significant fiscal constraints.

4. Policy. It is Military Sealift Command (MSC) policy to effectively manage assigned resources, free from fraud, waste and inefficiency. MSC personnel at all levels, ashore and afloat, shall take aggressive action to manage these resources, take the initiative to improve procedures when necessary and promptly correct identified problems. Top level managers shall set the example for the staff. Abuses of authority, misconduct, fraudulent use of resources and mismanagement will result in prompt corrective action.

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5. Discussion

a. Fraud, waste and mismanagement of resources divert already limited assets from essential programs and initiatives, increase operating costs and reduce the effectiveness of support provided to our forces ashore and afloat. All personnel must maintain high standards of conduct to ensure the special public trust and confidence placed in them continues.

b. Some incidents of fraud and mismanagement may be blatant and obvious. Other cases may only be detected through the systematic review and audit of programs or activities. Therefore, every employee must be vigilant when conducting day-to-day business.

6. Action

a. COMSC shall:

(1) Establish and administer an aggressive inspection and follow-up program to ensure a periodic review of operations aboard ship and at subordinate activities ashore.

(2) Administer a proactive Management Control Program to provide continuous self-assessment of programs and procedures, in accordance with reference (d).

(3) Establish and administer an aggressive follow-up program to implement audit, and inspection recommendations in accordance with reference (e).

(4) Establish clear, attainable objectives for the Annual Management Guidance and long-range strategic plans.

(5) Manage and publicize an effective Hotline program to ensure prompt corrective action on reported improprieties.

(6) Establish and conduct a program to emphasize Standards of Conduct and personal accountability, in accordance with reference (f).

(7) Establish a program to provide prompt positive recognition of outstanding employees and institute a program to take swift corrective action for employees not meeting established standards of performance and conduct to deter the potential for fraudulent activities.

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b. Area Commanders shall, in addition to taking and/or supporting action outlined in paragraph a(1) above:

(1) Provide semi-annual reports on audits, internal reviews and inspections to COMSC (N85).

(2) Complete and report corrective action recommended in inspections, audits and investigations.

(3) Promptly submit a message report to COMSC (N85) in each instance where Management Control Program reviews disclose evidence of fraud, waste or mismanagement.

7. Report. The reporting requirement prescribed by this instruction is exempt from reports control by SECNAVINST 5214.2B.

Distribution:

COMSCINST 5000.19

List I (Case, A, B)

SNDL 41B (MSC Area Commanders)

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